

ORDER NO. 1830

UNITED STATES OF AMERICA
POSTAL REGULATORY COMMISSION
WASHINGTON, DC 20268-0001

Before Commissioners:

Ruth Y. Goldway, Chairman;
Robert G. Taub, Vice Chairman;
Mark Acton;
Tony Hammond; and
Nanci E. Langley

Competitive Product Prices
Priority Mail Contract 39 (MC2012-37)
Negotiated Service Agreement

Docket No. CP2012-45

ORDER APPROVING AMENDMENT TO PRIORITY MAIL CONTRACT 39
NEGOTIATED SERVICE AGREEMENT

(Issued September 9, 2013)

I. INTRODUCTION

The Postal Service seeks to amend Priority Mail Contract 39.¹ For the reasons discussed below, the Commission approves the contract, as amended.

¹ Notice of United States Postal Service of Amendment to Priority Mail Contract 39, with Portions Filed Under Seal, August 28, 2013 (Notice). The Amendment is Attachment A to the Notice (Amendment).

In Order No. 1434, the Commission approved Priority Mail Contract 39.² On August 28, 2013, the Postal Service filed notice that it has agreed to an amendment to the existing Priority Mail Contract 39. The Amendment changes the contracting partner's name to include the contracting partner's subsidiaries. Notice, Attachment A at 1.

The Postal Service intends for the Amendment to become effective one business day following the date that the Commission completes its review of the Amendment. *Id.* The Postal Service asserts that the "supporting financial documentation and financial certification initially provided in this docket remain applicable." Notice at 1.

II. COMMENTS

Comments were filed by the Public Representative.³ No other interested person submitted comments. The Public Representative asserts that the pricing is not affected by the Amendment and that the contract, as amended, continues to generate sufficient revenue to cover attributable costs. PR Comments at 1-2.

III. COMMISSION ANALYSIS

The Commission has reviewed the Notice, the accompanying materials filed under seal, and the comments filed by the Public Representative.

Cost considerations. The Commission reviews competitive product prices to ensure that they meet applicable requirements of 39 U.S.C. 3633(a) and 39 CFR 3015.7. The Amendment does not affect the underlying financial analysis of the contract. Thus, the Commission finds that the contract, as amended, comports with the provisions applicable to rates for competitive products in 39 U.S.C. 3633(a) and 39 CFR 3015.7.

² See Docket Nos. MC2012-37 and CP2012-45, Order Concerning Priority Mail Contract 39 Negotiated Service Agreement, August 16, 2012 (Order No. 1434).

³ Public Representative Comments on Notice and Order Concerning Amendment to Priority Mail Contract 39, September 3, 2013 (PR Comments).

Other considerations. Within 30 days of the termination of the contract, as amended, the Postal Service shall file the annual (by contract year) costs, volumes, and revenues disaggregated by weight and zone associated with the contract.

In conclusion, the Commission approves Priority Mail Contract 39, as amended.

IV. ORDERING PARAGRAPHS

It is ordered:

1. As set forth in the body of this Order, the Commission approves Priority Mail Contract 39, as amended.
2. Within 30 days after the Priority Mail Contract 39, as amended, terminates, the Postal Service shall file the annual (contract year) costs, volumes, and revenues disaggregated by weight and zone associated with the contract.

By the Commission.

Shoshana M. Grove
Secretary